

**As Introduced**

**134th General Assembly  
Regular Session  
2021-2022**

**H. B. No. 228**

**Representative Roemer**

**Cosponsors: Representatives Fowler Arthur, Seitz, Young, T.**



**A BILL**

To amend sections 718.80, 718.81, 718.83, 718.85, 1  
and 5703.77 and to enact section 718.841 of the 2  
Revised Code to make changes related to state- 3  
administered municipal net profits taxes. 4

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 718.80, 718.81, 718.83, 718.85, 5  
and 5703.77 be amended and section 718.841 of the Revised Code 6  
be enacted to read as follows: 7

**Sec. 718.80.** (A) A taxpayer may elect to be subject to 8  
sections 718.80 to 718.95 of the Revised Code in lieu of the 9  
provisions set forth in the remainder of this chapter. 10  
Notwithstanding any other provision of this chapter, upon the 11  
taxpayer's election, both of the following shall apply: 12

(1) The tax commissioner shall serve as the sole 13  
administrator of each municipal income tax for which the 14  
taxpayer is liable for the term of the election; 15

(2) The commissioner shall administer the tax pursuant to 16  
sections 718.80 to 718.95 of the Revised Code and any applicable 17  
provision of Chapter 5703. of the Revised Code. 18

(B) (1) A taxpayer shall make the initial election on or 19  
before the ~~first~~fifteenth day of the ~~third~~fourth month after 20  
the beginning of the taxpayer's taxable year by ~~notifying~~ 21  
providing to the tax commissioner and each a list of all 22  
municipal ~~corporation~~ corporations in which the taxpayer 23  
conducted business during the previous taxable year, on a form 24  
prescribed by the tax commissioner. 25

~~(2) (a) (2)~~ At least quarterly, the tax commissioner shall 26  
notify each municipal corporation that a taxpayer lists in its 27  
election under division (B) (1) of this section that the taxpayer 28  
has made the election. 29

(3) (a) The election, once made by the taxpayer, applies to 30  
the taxable year in which the election is made and to each 31  
subsequent taxable year until the taxpayer notifies the tax 32  
commissioner of its termination of the election. 33

(b) A notification of termination shall be made, on a form 34  
prescribed by the tax commissioner, on or before the ~~first~~ 35  
fifteenth day of the ~~third~~fourth month of any taxable year. 36

(c) Upon a timely and valid termination of the election, 37  
the taxpayer is no longer subject to sections 718.80 to 718.95 38  
of the Revised Code, and is instead subject to the provisions 39  
set forth in the remainder of this chapter. 40

(d) At least quarterly, the tax commissioner shall notify 41  
each municipal corporation reported on a taxpayer's most recent 42  
return or declaration filed with the commissioner of the 43  
taxpayer's termination of its election. 44

(4) The tax commissioner shall provide to all municipal 45  
corporations imposing a tax on income on or after January 1, 46  
2018, a list of taxpayers that are subject to sections 718.80 to 47

718.95 of the Revised Code, including the taxpayers' names, 48  
addresses, and federal employee identification numbers. The list 49  
shall be made available via the portal created under section 50  
718.841 of the Revised Code. 51

(C) (1) (a) On or before the thirty-first day of January 52  
each year, each municipal corporation imposing a tax on income 53  
shall certify to the tax commissioner the rate of the tax in 54  
effect on the first day of January of that year. 55

(b) If, after the thirty-first day of January of any year, 56  
the electors of a municipal corporation approve an increase in 57  
the rate of the municipal corporation's tax on income that takes 58  
effect within that year, the municipal corporation shall certify 59  
to the tax commissioner the new rate of tax not less than sixty 60  
days before the effective date of the increase, after which 61  
effective date the commissioner shall apply the increased rate. 62

(2) A municipal corporation, ~~within ninety days of~~ 63  
~~receiving that receives a taxpayer's notification of election~~ 64  
under division (B) (2) of this section, shall submit to the tax 65  
commissioner, on a form prescribed by the ~~tax~~ commissioner and 66  
within the time prescribed by division (C) (3) of this section, 67  
the following information regarding the taxpayer and any member 68  
of an affiliated group of corporations included on the 69  
taxpayer's consolidated tax return, when applicable: 70

(a) The amount of any net operating loss that the taxpayer 71  
is entitled to carry forward to a future tax year; 72

(b) The amount of any net operating loss carryforward 73  
utilized by the taxpayer in prior years; 74

(c) Any credits granted by the municipal corporation to 75  
which the taxpayer is entitled, the amount of such credits, 76

whether the credits may be carried forward to future tax years, 77  
and, if the credits may be carried forward, the duration of any 78  
such carryforward; 79

(d) Any overpayments of tax that the taxpayer has elected 80  
to carry forward to a subsequent tax year; 81

(e) Any other information the municipal corporation deems 82  
relevant in order to effectuate the tax commissioner's efficient 83  
administration of the tax on the municipal corporation's behalf. 84

(3) A municipal corporation shall submit the information 85  
required under division (C) (2) of this section to the tax 86  
commissioner within ninety days after the taxpayer files its 87  
final return or within fifteen days after the end of the taxable 88  
year for which the taxpayer made the initial election under 89  
division (B) (1) of this section, whichever occurs first. For the 90  
purposes of this section, "final return" means the return filed 91  
with the municipal corporation for the taxable year immediately 92  
preceding the taxable year for which the taxpayer made the 93  
election under division (B) (1) of this section. 94

(4) If any municipal corporation fails to timely comply 95  
with ~~divisions~~ division (C) (1) ~~and, (2), or (3)~~ of this section, 96  
the tax commissioner ~~shall~~ may notify the director of budget and 97  
management, who, upon receiving such notification, shall 98  
withhold ~~from~~ a portion of each payment made to the municipal 99  
corporation under section 718.83 of the Revised Code. The 100  
commissioner shall specify the percentage of the payment to be 101  
withheld, not to exceed fifty per cent of the amount of the 102  
payment otherwise due to the municipal corporation under that 103  
section. The director shall compute the withholding on the basis 104  
of the tax rate most recently certified to the tax commissioner 105  
until the municipal corporation complies with divisions (C) (1) 106

~~and, (2), and (3)~~ of this section. 107

(D) The tax commissioner shall enforce and administer 108  
sections 718.80 to 718.95 of the Revised Code. In addition to 109  
any other powers conferred upon the tax commissioner by law, the 110  
tax commissioner may: 111

(1) Prescribe all forms necessary to administer those 112  
sections; 113

(2) Adopt such rules as the tax commissioner finds 114  
necessary to carry out those sections; 115

(3) Appoint and employ such personnel as are necessary to 116  
carry out the duties imposed upon the tax commissioner by those 117  
sections. 118

(E) No tax administrator shall utilize sections 718.81 to 119  
718.95 of the Revised Code in the administrator's administration 120  
of a municipal income tax, and those sections shall not be 121  
applied to any taxpayer that has not made the election under 122  
this section. 123

(F) Nothing in this chapter shall be construed to make any 124  
section of this chapter, other than sections 718.01 and 718.80 125  
to 718.95 of the Revised Code, applicable to the tax 126  
commissioner's administration of a municipal income tax or to 127  
any taxpayer that has made the election under this section. 128

(G) The tax commissioner shall not be considered a tax 129  
administrator, as that term is defined in section 718.01 of the 130  
Revised Code. 131

**Sec. 718.81.** If a term used in sections 718.80 to 718.95 132  
of the Revised Code that is not otherwise defined in this 133  
chapter is used in a comparable context in both the laws of the 134

United States relating to federal income tax and in Title LVII 135  
of the Revised Code and the use is not consistent, then the use 136  
of the term in the laws of the United States relating to federal 137  
income tax shall have control over the use of the term in Title 138  
LVII of the Revised Code, unless the term is defined in Chapter 139  
5703. of the Revised Code, in which case the definition in that 140  
chapter shall control. Any reference in this chapter to the 141  
Internal Revenue Code includes other laws of the United States 142  
related to federal income taxes. If a term is defined in both 143  
this section and section 718.01 of the Revised Code, the 144  
definition in this section shall control for all uses of that 145  
term in sections 718.80 through 718.95 of the Revised Code. 146

As used in sections 718.80 to 718.95 of the Revised Code 147  
only: 148

(A) "Municipal taxable income" means income apportioned or 149  
situated to the municipal corporation under section 718.82 of the 150  
Revised Code, as applicable, reduced by any pre-2017 net 151  
operating loss carryforward available to the person for the 152  
municipal corporation. 153

(B) "Adjusted federal taxable income," for a person 154  
required to file as a C corporation, or for a person that has 155  
elected to be taxed as a C corporation as described in division 156  
(D) (5) of section 718.01 of the Revised Code, means a C 157  
corporation's federal taxable income before net operating losses 158  
and special deductions as determined under the Internal Revenue 159  
Code, adjusted as follows: 160

(1) Deduct intangible income to the extent included in 161  
federal taxable income. The deduction shall be allowed 162  
regardless of whether the intangible income relates to assets 163  
used in a trade or business or assets held for the production of 164

income.	165
(2) Add an amount equal to five per cent of intangible	166
income deducted under division (B) (1) of this section, but	167
excluding that portion of intangible income directly related to	168
the sale, exchange, or other disposition of property described	169
in section 1221 of the Internal Revenue Code.	170
(3) Add any losses allowed as a deduction in the	171
computation of federal taxable income if the losses directly	172
relate to the sale, exchange, or other disposition of an asset	173
described in section 1221 or 1231 of the Internal Revenue Code.	174
(4) (a) Except as provided in division (B) (4) (b) of this	175
section, deduct income and gain included in federal taxable	176
income to the extent the income and gain directly relate to the	177
sale, exchange, or other disposition of an asset described in	178
section 1221 or 1231 of the Internal Revenue Code.	179
(b) Division (B) (4) (a) of this section does not apply to	180
the extent the income or gain is income or gain described in	181
section 1245 or 1250 of the Internal Revenue Code.	182
(5) Add taxes on or measured by net income allowed as a	183
deduction in the computation of federal taxable income.	184
(6) In the case of a real estate investment trust or	185
regulated investment company, add all amounts with respect to	186
dividends to, distributions to, or amounts set aside for or	187
credited to the benefit of investors and allowed as a deduction	188
in the computation of federal taxable income.	189
(7) Deduct, to the extent not otherwise deducted or	190
excluded in computing federal taxable income, any income derived	191
from a transfer agreement or from the enterprise transferred	192
under that agreement under section 4313.02 of the Revised Code.	193

(8) Deduct exempt income to the extent not otherwise	194
deducted or excluded in computing adjusted federal taxable	195
income.	196
(9) Deduct any net profit of a pass-through entity owned	197
directly or indirectly by the taxpayer and included in the	198
taxpayer's federal taxable income unless an affiliated group of	199
corporations includes that net profit in the group's federal	200
taxable income in accordance with division (E) (3) (b) of section	201
718.86 of the Revised Code.	202
(10) Add any loss incurred by a pass-through entity owned	203
directly or indirectly by the taxpayer and included in the	204
taxpayer's federal taxable income unless an affiliated group of	205
corporations includes that loss in the group's federal taxable	206
income in accordance with division (E) (3) (b) of section 718.86	207
of the Revised Code.	208
If the taxpayer is not a C corporation, is not a	209
disregarded entity that has made the election described in	210
division (L) (2) of section 718.01 of the Revised Code, and is	211
not a publicly traded partnership that has made the election	212
described in division (D) (5) of section 718.01 of the Revised	213
Code, the taxpayer shall compute adjusted federal taxable income	214
under this section as if the taxpayer were a C corporation,	215
except guaranteed payments and other similar amounts paid or	216
accrued to a partner, former partner, shareholder, former	217
shareholder, member, or former member shall not be allowed as a	218
deductible expense unless such payments are in consideration for	219
the use of capital and treated as payment of interest under	220
section 469 of the Internal Revenue Code or United States	221
treasury regulations. Amounts paid or accrued to a qualified	222
self-employed retirement plan with respect to a partner, former	223



partner, shareholder, former shareholder, member, or former 224  
member of the taxpayer, amounts paid or accrued to or for health 225  
insurance for a partner, former partner, shareholder, former 226  
shareholder, member, or former member, and amounts paid or 227  
accrued to or for life insurance for a partner, former partner, 228  
shareholder, former shareholder, member, or former member shall 229  
not be allowed as a deduction. 230

Nothing in division (B) of this section shall be construed 231  
as allowing the taxpayer to add or deduct any amount more than 232  
once or shall be construed as allowing any taxpayer to deduct 233  
any amount paid to or accrued for purposes of federal self- 234  
employment tax. 235

(C) "Taxpayer" has the same meaning as in section 718.01 236  
of the Revised Code, except that "taxpayer" does not include 237  
natural persons or entities subject to the tax imposed under 238  
Chapter 5745. of the Revised Code. "Taxpayer" may include 239  
receivers, assignees, or trustees in bankruptcy when such 240  
persons are required to assume the role of a taxpayer. 241

(D) "Tax return" or "return" means the notifications and 242  
reports required to be filed pursuant to sections 718.80 to 243  
718.95 of the Revised Code for the purpose of reporting 244  
municipal income taxes, and includes declarations of estimated 245  
tax. 246

~~(E) "Taxable year" means the calendar year or the 247  
taxpayer's fiscal year beginning during the calendar year, or 248  
fractional part thereof, upon which the calculation of the 249  
taxpayer's adjusted federal taxable income is based pursuant to 250  
this chapter. If a taxpayer's taxable year is changed for 251  
federal income tax purposes, the taxable year for purposes of 252  
sections 718.80 to 718.95 of the Revised Code is changed 253~~

~~accordingly but may consist of an aggregation of more than one~~ 254  
~~taxable year for federal income tax purposes. The tax~~ 255  
~~commissioner may prescribe by rule an appropriate period as the~~ 256  
~~taxable year for a taxpayer that has had a change of its taxable~~ 257  
~~year for federal income tax purposes, for a taxpayer that has~~ 258  
~~two or more short taxable years for federal income tax purposes~~ 259  
~~as the result of a change of ownership, or for a new taxpayer~~ 260  
~~that would otherwise have no taxable year.~~ 261

~~(F)~~-"Assessment" means a notice of underpayment or 262  
nonpayment of a tax issued pursuant to section 718.90 of the 263  
Revised Code. 264

**Sec. 718.83.** (A) On or before the last day of each month, 265  
the tax commissioner shall certify to the director of budget and 266  
management the amount to be paid to each municipal corporation, 267  
based on amounts reported on annual returns and declarations of 268  
estimated tax under sections 718.85 and 718.88 of the Revised 269  
Code, less any amounts previously distributed and net of any 270  
audit adjustments made or refunds granted by the commissioner, 271  
for the calendar month preceding the month in which the 272  
certification is made. Not later than the fifth day of each 273  
month, the director shall provide for payment of the amount 274  
certified to each municipal corporation from the municipal net 275  
profit tax fund, plus a pro rata share of any investment 276  
earnings accruing to the fund since the previous payment under 277  
this section, and minus any reduction required by the 278  
commissioner under division (D) of this section. Each municipal 279  
corporation's share of such earnings shall equal the proportion 280  
that the municipal corporation's certified tax payment is of the 281  
total taxes certified to all municipal corporations in that 282  
quarter. All investment earnings on money in the municipal net 283  
profit tax fund shall be credited to that fund. 284

(B) If the tax commissioner determines that the amount of tax paid by a taxpayer and distributed to a municipal corporation under this section for a taxable year exceeds the amount payable to that municipal corporation under sections 718.80 to 718.95 of the Revised Code after accounting for amounts remitted with the annual return and as estimated taxes, the commissioner shall proceed according to ~~divisions (A) and (B)~~ of section 5703.77 of the Revised Code.

(C) If the amount of a municipal corporation's net distribution computed by the commissioner under division (A) of this section is less than zero, the commissioner may notify the municipal corporation of the deficiency. Within thirty days after receiving such a notice, the municipal corporation shall pay an amount equal to the deficiency to the treasurer of state. The treasurer of state shall credit any payment received under this division to the municipal net profit tax fund.

(D) If a municipal corporation fails to make a timely payment required under division (C) of this section, the commissioner may recover the deficiency using any or all of the following options:

(1) Deduct the amount of the deficiency from the next distribution to that municipal corporation under division (A) of this section or, if the amount of the deficiency exceeds the amount of such distribution, withhold such distributions entirely until the withheld amount equals the amount of the municipal corporation's deficiency;

(2) Deduct the amount of the deficiency from the next payment to that municipal corporation under division (A) of section 5745.05 of the Revised Code or, if the amount of the deficiency exceeds the amount of such distribution, withhold

such distributions entirely until the withheld amount equals the 315  
amount of the municipal corporation's deficiency; 316

(3) Deduct the amount of the deficiency from the municipal 317  
corporation's share of the next payment made by the commissioner 318  
under division (F) of section 321.24 of the Revised Code or, if 319  
the amount of the deficiency exceeds the amount of the municipal 320  
corporation's share of such payment, withhold the municipal 321  
corporation's share of the payments entirely until the withheld 322  
amount equals the amount of the municipal corporation's 323  
deficiency. 324

(E) The total amount of payments and distributions 325  
withheld from a municipal corporation under division (D) of this 326  
section shall not exceed the unpaid portion of the municipal 327  
corporation's net distribution deficiency. All amounts withheld 328  
under division (D) of this section shall be credited to the 329  
municipal net profit tax fund. 330

(F) The commissioner may adopt rules necessary to 331  
administer this section. 332

Sec. 718.841. (A) The department of taxation shall create 333  
and maintain a world wide web portal capable of securely 334  
exchanging information between the department and municipal 335  
corporations. 336

(B) The web portal created pursuant to division (A) of 337  
this section shall be used by both the department and municipal 338  
corporations to securely exchange information as required under 339  
sections 718.80 to 718.95 of the Revised Code. The tax 340  
commissioner shall establish the procedures by which municipal 341  
corporations may access the web portal and the format in which 342  
information must be submitted. 343

(C) If the web portal is unavailable for any reason, the 344  
tax commissioner and municipal corporations shall provide the 345  
information as required under sections 718.80 to 718.95 of the 346  
Revised Code through another secure format. If the commissioner 347  
determines it reasonably necessary, the commissioner may extend 348  
the time within which information must be provided by not more 349  
than forty-five days. If the commissioner extends the time 350  
within which information must be provided, any event attaching a 351  
penalty for failure to provide such information shall be 352  
extended accordingly. 353

(D) The tax commissioner may modify the web portal created 354  
pursuant to division (A) of this section to enable the exchange 355  
of information between the commissioner and municipal 356  
corporations under Chapter 5745. and division (D) of section 357  
5747.50 of the Revised Code and as otherwise required or 358  
permitted by law. 359

(E) The tax commissioner may adopt rules governing the use 360  
of the web portal created pursuant to division (A) of this 361  
section. 362

**Sec. 718.85.** (A) (1) For each taxable year, every taxpayer 363  
shall file an annual return. Such return, along with the amount 364  
of tax shown to be due on the return less the amount paid for 365  
the taxable year under section 718.88 of the Revised Code, shall 366  
be submitted to the tax commissioner, on a form and in the 367  
manner prescribed by the commissioner, on or before the 368  
fifteenth day of the fourth month following the end of the 369  
taxpayer's taxable year. 370

~~(2) If a taxpayer has multiple taxable years beginning~~ 371  
~~within one calendar year, the taxpayer shall aggregate the facts~~ 372  
~~and figures necessary to compute the tax due under this chapter,~~ 373

~~in accordance with sections 718.81, 718.82, and, if applicable,~~ 374  
~~718.86 of the Revised Code onto its annual return.~~ 375

~~(3)~~The remittance shall be made payable to the treasurer 376  
of state and in the form prescribed by the tax commissioner. If 377  
the amount payable with the tax return is ten dollars or less, 378  
no remittance is required. 379

(B) The tax commissioner shall immediately forward to the 380  
treasurer of state all amounts the commissioner receives 381  
pursuant to sections 718.80 to 718.95 of the Revised Code. The 382  
treasurer shall credit ~~ninety-nine and one-half per cent of such~~ 383  
amounts to the municipal net profit tax fund which is hereby 384  
created in the state treasury, ~~and the remainder to the~~ 385  
~~municipal income tax administrative fund established under~~ 386  
~~section 5745.03 of the Revised Code.~~ 387

(C) (1) Each return required to be filed under this section 388  
shall contain the signature of the taxpayer or the taxpayer's 389  
duly authorized agent and of the person who prepared the return 390  
for the taxpayer, and shall include the taxpayer's 391  
identification number. Each return shall be verified by a 392  
declaration under penalty of perjury. 393

(2) (a) The tax commissioner may require a taxpayer to 394  
include, with each annual tax return, amended return, or request 395  
for refund filed with the commissioner under sections 718.80 to 396  
718.95 of the Revised Code, copies of any relevant documents or 397  
other information. 398

(b) A taxpayer that files an annual tax return 399  
electronically through the Ohio business gateway or in another 400  
manner as prescribed by the tax commissioner shall either submit 401  
the documents required under this division electronically as 402

prescribed at the time of filing or, if electronic submission is 403  
not available, mail the documents to the tax commissioner. The 404  
department of taxation shall publish a method of electronically 405  
submitting the documents required under this division on or 406  
before January 1, 2019. 407

(3) After a taxpayer files a tax return, the tax 408  
commissioner may request, and the taxpayer shall provide, any 409  
information, statements, or documents required to determine and 410  
verify the taxpayer's municipal income tax. 411

(D) (1) (a) Any taxpayer that has duly requested an 412  
automatic extension for filing the taxpayer's federal income tax 413  
return shall automatically receive an extension for the filing 414  
of a tax return with the commissioner under this section. The 415  
extended due date of the return shall be the fifteenth day of 416  
the tenth month after the last day of the taxable year to which 417  
the return relates. 418

(b) A taxpayer that has not requested or received a six- 419  
month extension for filing the taxpayer's federal income tax 420  
return may request that the commissioner grant the taxpayer a 421  
six-month extension of the date for filing the taxpayer's 422  
municipal income tax return. If the commissioner receives the 423  
request on or before the date the municipal income tax return is 424  
due, the commissioner shall grant the taxpayer's extension 425  
request. 426

(c) An extension of time to file under division (D) (1) of 427  
this section is not an extension of the time to pay any tax due 428  
unless the tax commissioner grants an extension of that date. 429

(2) If the commissioner considers it necessary in order to 430  
ensure payment of a tax imposed in accordance with section 431

718.04 of the Revised Code, the commissioner may require 432  
taxpayers to file returns and make payments otherwise than as 433  
provided in this section, including taxpayers not otherwise 434  
required to file annual returns. 435

(E) Each return required to be filed in accordance with 436  
this section shall include a box that the taxpayer may check to 437  
authorize another person, including a tax return preparer who 438  
prepared the return, to communicate with the tax commissioner 439  
about matters pertaining to the return. The return or 440  
instructions accompanying the return shall indicate that by 441  
checking the box the taxpayer authorizes the commissioner to 442  
contact the preparer or other person concerning questions that 443  
arise during the examination or other review of the return and 444  
authorizes the preparer or other person only to provide the 445  
commissioner with information that is missing from the return, 446  
to contact the commissioner for information about the 447  
examination or other review of the return or the status of the 448  
taxpayer's refund or payments, and to respond to notices about 449  
mathematical errors, offsets, or return preparation that the 450  
taxpayer has received from the commissioner and has shown to the 451  
preparer or other person. 452

(F) When income tax returns or other documents require the 453  
signature of a tax return preparer, the tax commissioner shall 454  
accept a facsimile or electronic version of such a signature in 455  
lieu of a manual signature. 456

**Sec. 5703.77.** (A) As used in this section: 457

(1) "Taxpayer" means a person subject to or previously 458  
subject to a tax or fee, a person that remits a tax or fee, or a 459  
person required to or previously required to withhold or collect 460  
and remit a tax or fee on behalf of another person. 461



(2) "Tax or fee" means a tax or fee administered by the tax commissioner.

(3) "Credit account balance" means the amount of a tax or fee that a taxpayer remits to the state in excess of the amount required to be remitted, after accounting for factors applicable to the taxpayer such as accelerated payments, estimated payments, tax credits, and tax credit balances that may be carried forward.

(4) "Tax debt" means an unpaid tax or fee or any unpaid penalty, interest, or additional charge on such a tax or fee due the state.

(B) As soon as practicable, but not later than sixty days before the expiration of the period of time during which a taxpayer may file a refund application for a tax or fee, the tax commissioner shall review the taxpayer's accounts for the tax or fee and notify the taxpayer of any credit account balance for which the commissioner is required to issue a refund if the taxpayer were to file a refund application for that balance, regardless of whether the taxpayer files a refund application or amended return with respect to that tax or fee. The notice shall be made using contact information for the taxpayer on file with the commissioner.

(C) Notwithstanding sections 128.47, 718.91, 3734.905, 4307.05, 5726.30, 5727.28, 5727.42, 5727.91, 5728.061, 5735.122, 5736.08, 5739.07, 5739.104, 5741.10, 5743.05, 5743.53, 5747.11, 5749.08, 5751.08, 5753.06, and any other section of the Revised Code governing refunds of taxes or fees, the commissioner may apply the amount of any credit account balance for which the commissioner is required to issue a refund if the taxpayer were to file a refund application for that balance as a credit

against the taxpayer's liability for the tax or fee in the 492  
taxpayer's next reporting period for that tax or fee or issue a 493  
refund of that credit account balance to the taxpayer, subject 494  
to division (D) of this section. 495

(D) Before issuing a refund to a taxpayer under division 496  
(C) of this section, the tax commissioner shall withhold from 497  
that refund the amount of any of the taxpayer's tax debt 498  
certified to the attorney general under section 131.02 of the 499  
Revised Code and the amount of the taxpayer's liability, if any, 500  
for a tax or fee. The commissioner shall apply any amount 501  
withheld first in satisfaction of the amount of the taxpayer's 502  
certified tax debt and then in satisfaction of the taxpayer's 503  
liability. If the credit account balance originates from the tax 504  
administered under sections 718.80 to 718.95 of the Revised 505  
Code, it may be applied only against the taxpayer's certified 506  
tax debt or tax liability due under those sections. 507

(E) The tax commissioner may adopt rules to administer 508  
this section. 509

**Section 2.** That existing sections 718.80, 718.81, 718.83, 510  
718.85, and 5703.77 of the Revised Code are hereby repealed. 511

**Section 3.** The amendment by this act of sections 718.80, 512  
718.81, and 718.85 of the Revised Code applies to municipal 513  
taxable years beginning on or after January 1, 2022. 514

**Section 4.** With respect to the world wide web portal 515  
required to be established under section 718.841 of the Revised 516  
Code, the Department of Taxation shall make the portal available 517  
to municipal corporations for the exchange of information 518  
required by division (C)(1) of section 718.80 of the Revised 519  
Code and divisions (B), (C), and (D) of section 718.84 of the 520

Revised Code upon the effective date of the enactment by this	521
act of section 718.841 of the Revised Code, and shall continue	522
to add functionality to the portal until such time that the	523
portal is capable of handling the exchange of all information	524
necessary to be exchanged for the purposes of administering	525
sections 718.80 to 718.95 of the Revised Code.	526